

## BUILDING A BETTER TOMORROW

The Administration's pro-growth policies have ushered in one of the greatest economies in American history. This did not happen by accident. The Trump Economy stands firm on the proven pro-growth pillars of tax cuts, deregulation, energy independence, and better trade deals.

Over the past three years, unemployment rates have dropped to historic lows. The U.S. unemployment rate of 3.5 percent is a half-century low and rates for African Americans, Hispanic Americans, Asian Americans, Americans with disabilities, and Americans without a high school diploma are the lowest on record. Household incomes are rising and wages are no longer stagnant.

Under the previous administration, the recovery was so tepid that the prime-age labor force shrank by roughly 1.5 million. Under this Administration, it has expanded by 2.1 million as previously-forgotten Americans have come off the sidelines. For the first time on record, job openings exceed the number of unemployed workers. The current job market, and the economic confidence this has inspired in consumers, is not a result of past trends during what was the slowest economic expansion since World War II, but the direct result of pro-growth policies put in place over the past three years.

### PREPARES FOR A CHANGING LABOR MARKET

While today's great job market is leading employers to realize the vast potential of many individuals who were previously overlooked, the Administration is committed to doing even more to support opportunities for all Americans to

experience the dignity and independence work affords. This includes those facing long-term unemployment, lacking necessary job skills, overcoming substance abuse, returning from the justice system, or caught in intergenerational poverty. Reflecting this priority, the Budget creates additional pathways to the jobs of today and the jobs of tomorrow.

**Closes the Skills Gap.** The Budget doubles the American Competitiveness and Workforce Improvement Act of 1998 fee for the H-1B visa program to provide opportunities to prepare American workers for jobs that are currently being filled from overseas, especially in science, technology, engineering, and mathematics fields.

**Increases Vocational Training.** The Budget provides resources to assist students too often forgotten—those who would like to pursue good-paying trades without getting a four-year degree. The Budget increases Career and Technical Education by nearly \$1 billion to help ensure that every high school has a high-quality vocational program.

**Retools the American Workforce for Jobs of the Future.** The Administration has provided robust support for apprenticeships to teach students the skills they need to obtain and retain high-wage jobs in a changing market. Since the start of this Administration, nearly 700,000 people have enrolled in apprenticeships.

**Combats Drug Abuse and Opioid Epidemic.** The Budget invests \$5 billion in HHS to combat the opioid epidemic, making critical investments in research, surveillance, prevention, treatment, access to overdose reversal drugs, recovery support services, and research.

This funding includes \$1.6 billion for State Opioid Response grants, which supports prevention, treatment, and recovery support services.

**Promotes Criminal Justice Reform.** At least 95 percent of incarcerated persons will eventually leave prison and return to their community. However, individuals released from State prison have a five-year recidivism rate of 77 percent, and those released from Federal prison have a five-year recidivism rate of 42 percent. The Administration is committed to breaking this cycle by better preparing individuals to reenter communities in meaningful and productive ways.

### **ENSURES SECURITY TO PROMOTE PROSPERITY**

While continuing to strengthen the economy, the Administration also remains committed to strengthening the Nation's physical safety and security to ensure all Americans can prosper. Swift action at the border led to the apprehension and arrest of approximately 5,000 gang members, including nearly a thousand from the infamous MS-13, in 2019 alone, as well as the seizure of millions of pounds of narcotics, including cocaine, heroin, methamphetamines, and fentanyl, which were headed for our community streets and children's schools.

Facing the humanitarian crisis at the border, the Administration has struck new agreements with Mexico, El Salvador, Guatemala, and Honduras to stem the flood of illegal immigration and to protect vulnerable populations from human smuggling networks that profit from their misery. By the end of 2020, the Administration expects approximately 400 miles of new border wall to be completed on the southern border; an additional 600 miles of new border wall will be completed in the coming years with funding made available from 2017 to 2020. In the meantime, the Administration has released a plan for updating immigration and asylum laws to encourage legal migration, promote application based on merit, and support refugees in need of protection from persecution.

The Budget provides funding sufficient to hire an additional 4,636 Immigration and Customs

Enforcement staff including: law enforcement officers; immigration court prosecuting attorneys; and critical support staff, to reach a total of 6,000 staff to carry out this vital security mission. In addition, the Budget includes \$1.6 billion to continue the important work of modernizing the U.S. Coast Guard vessels and aircraft that patrol the Nation's coastal borders.

Abroad, the Budget promotes an America First agenda by advancing the four pillars of national power—economic competitiveness, national security strength, fair and free trade, and foreign partnerships that match action and resources with intent and rhetoric. The Administration has rebuilt our great and powerful military to deter aggression, counter adversaries, and fight and win wars. Through bold action, the Administration has lead and won efforts to rebalance our trade relationships, fight theft of American intellectual property, open markets to American goods, and bring jobs home to hard-working Americans.

### **STOPS AN UNSUSTAINABLE TRAJECTORY**

Unsustainable Federal deficits and debt are a serious threat to America's prosperity. Gross Federal debt is now more than \$23 trillion. The 2019 deficit was \$985 billion—the largest since the Great Recession—and will climb above \$1 trillion this year and for years after.

Such high and rising debt will have serious negative consequences for the budget and the Nation. It slows economic growth, as the costs of financing the debt crowds out more productive investments and could eventually limit the Federal Government's ability to respond to urgent national security needs, invest in key priorities such as infrastructure, and enact other pro-growth policies. In fact, by 2021, the United States will be spending more money on paying for the debt than for the budgets of the Departments of Veterans Affairs, Justice, Homeland Security, and the National Aeronautics and Space Administration combined.

Federal borrowing also competes for funds in the Nation's capital markets, threatening higher interest rates, and crowding out new investment

by the private sector that could create jobs and raise wages.

If America's spending and debt crisis are not addressed and lower economic growth continues, American families will see a much lower standard of living. Higher interest rates would make it harder for families to buy homes, finance car payments, or pay for college. Fewer education and training opportunities stemming from lower investment would leave workers without the skills to keep up with the demands of a more technology-based, global economy. In addition, continued growth of debt and deficits will constrain American families' ability to improve their lives and the lives of their children by claiming a larger share of family income for taxes. It is the children and grandchildren of today's taxpayers who will bear the burden for this recklessness.

The President has laid out a vision to drive down deficits and debt through spending restraint in every Budget he has submitted to the Congress. This Administration's Budgets have proposed more spending reductions than any other Administration in history. This year's Budget includes \$4.4 trillion in savings—bringing deficits down each year, and putting the Federal Government on a path to a balanced budget in 15 years. This spending restraint includes targeted reductions and eliminations of low-value programs, and a number of policies to improve payment accuracy and eliminate wasteful spending in mandatory programs. The Budget also reflects restraint in non-defense discretionary (NDD) spending, which the Budget proposes to keep five percent below 2020 NDD spending levels, and reduce spending in future years. Such

spending restraint, coupled with the President's tax cuts and deregulatory policies, will keep the U.S. economy thriving and America prosperous for generations to come.

Unfortunately, the Congress continues to reject any efforts to restrain spending. Instead, they have greatly contributed to the continued ballooning of Federal debt and deficits, putting the Nation's fiscal future at risk.

The Administration cannot simply sit by while the Congress continues to spend. In addition to providing a clear road map to a more fiscally responsible future in the Budget, the Administration is using all available tools and levers to restrain spending. This includes reinvigorating Administrative pay-as-you-go, otherwise known as Administrative PAYGO—which imposes a budget-neutrality requirement for discretionary agency actions—to ensure that Executive Branch agencies are also fiscally responsible, as well as the revitalization of tools such as rescissions. The Budget also includes a number of regulatory actions that can be achieved with current authorities to improve program efficiency and eliminate wasteful spending.

Implementing the real spending restraint proposed in the 2021 Budget, coupled with other pro-growth policies, will keep the economy thriving and America prosperous for generations to come. America can choose a new path that the Administration offers with the Budget, or continue the path the Congress and Washington have followed, which will ensure future generations are saddled with less prosperity, less financial control over their lives, and less freedom.